

## FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329 (916) 322-5660 • Fax (916) 322-0886

July 8, 2009

Mr. Alan H. Friedenthal

REDACTED

Re: Advisory Letter

FPPC No. 090433; Steff Padilla and Alan H. Friedenthal

Dear Mr. Friedenthal:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act (the "Act")<sup>1</sup> found in Government Code section 81000, and following. The Enforcement Division received a complaint against you alleging that you violated the statement of economic interests reporting (SEI) provisions of the Act when you failed to report interests in real property and sources of income on your statements of economic interests, Form 700. After review of the complaint, we have decided to close this case with an advisory letter.

The Act requires public officials to disclose their ownership interest in real property located in their jurisdiction which is owned directly, indirectly or beneficially by the public official, or his or her immediate family, if the fair market value of the interest is \$2,000 or more and the property is not used exclusively as their personal residence. (Section 87206.) The complainant alleged that you disclosed an interest in property located at 4614 Vesper Avenue, Sherman Oaks, on your 2006 Annual SEI, but failed to disclose this property on your 2007 and 2008 Annual SEIs. If this property is not used exclusively as your personal residence, this property should also be reported on your 2007 and 2008 SEIs.

If the Vesper property is required to be disclosed, you must amend your 2007 and 2008 SEI's to disclose this information.

Additionally, it is alleged that your spouse reported receiving income from Five Acres as a foster parent on her 2006 Annual SEI, but you failed to disclose your pro-rata share of your spouse's income. The Act requires public officials to report income of \$500 or more, including any community property interest in the income of a spouse, unless an exception applies. (Section 82030 subds., (a) and (b).) If your spouse has received income from Five Acres, which

<sup>&</sup>lt;sup>1</sup> The Political Reform Act is contained in Government Code sections \$1000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

is of the type to be disclosed, in which your pro-rata share of the income is \$500 or more, then you are required to disclose that income.

If you are required to disclose your pro-rata share of income regarding your spouse's income from Five Acres, you must amend your 2006 Annual SEI. Furthermore, if income was received from Five Acres in any subsequent years, and is of the type required to be disclosed, then any subsequent SEIs will need to be amended to disclose this income.

Another allegation stated in the complaint is your failure to disclose income received from mediation services. As stated above, income of \$500 or more is required to be disclosed. If you received income of \$500 from mediation services, and it is from the type of income required to be disclosed, then you must amend your SEI(s) to reflect this income.

If amendment(s) are needed, please provide me with a file-stamped copy of the amendment(s) no later than July 31, 2009, or you may face further enforcement actions.

Please note that a failure to comply with the provisions of the Act in the future may result in an enforcement action against you, including monetary penalties of up to \$5,000 for each violation.

If you need guidance regarding your obligations, please call the Commission's Toll-Free Advice Line at 1-866-275-3772. Please also visit our website at <a href="www.fppc.ca.gov">www.fppc.ca.gov</a>.

If you have any questions regarding this decision, please contact me at (916) 327-2018.

Sincerely

Teri Rindahl
Political Reform Consultant
Enforcement Division

TR:tr

cc: Laura Lvmi